

The Zorgvliet Group

An exclusive interview with Mac Van Der Merwe

By Fiona Klonarides



You have a fascinating background, could you tell us how you got into the industry?

I have always been interested in new ideas and challenges. The greatest satisfaction is to break ground and pursue out of the ordinary business strategies. We have been developing the Zorgvliet Portfolio over the past seven years. Zorgvliet Collection of properties is a selection of unique South African destinations; Zorgvliet wine estate in the beautiful Banhoek valley outside Stellenbosch, Protea King George Hotel on the

George golf course, Riviera on Vaal Hotel and Country Club in Vereeniging, Ka'Ingo Private Game Reserve and Dinkweng safari camp in the Waterberg in the Malaria free Limpopo Highveld all add to the value of the experiences that we offer. Being a private company we can have personal interaction with our patrons and share the individual experiences with them.

I have researched the idea of a Private Residence Club for two years and have looked at the models used by the big market leaders in this regard. Zorgvliet Private Residence Club has been created as a unique platform of shared vacation ownership for our own properties but also as a model that can be introduced by other small hospitality entities.

The Zorgvliet Group is a family-run business, I know your son Stephan and two daughters, Melanie and Sandie, oversee various aspects of the business – how does this work, in effect?

They are not involved in the Zorgvliet business as such. The children are by default running similar types of businesses but are very serious about their own Brand positioning and do not want to be seen as an extension of the Zorgvliet Group, they have their own strategies and balance sheets.

Wine plays a leading role within the Zorgvliet Group and portfolio. To what do you attribute your success, bearing in mind South Africa is such a competitive wine-producer?

Zorgvliet wines are of the best quality in South Africa, the unique Banhoek terroir, clearly defined wine making philosophy, our state of the art cellar and viticulture methodology are all contributing factors to our success as wine producer. The Zorgvliet Brand is a vehicle



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stating our Brand promise of ‘special experiences for special people’ and Brand drivers of ‘authentic, classic and luxurious’ products and offerings. We see the wine as our silver bullet.

Do you think top end fractional ownership will become “the norm” in the next decade? Particularly as more people are discovering that part-ownership of a yacht, vineyard, or chateau is the door to the millionaire lifestyle at a fraction of the cost?

I believe fractional ownership will grow and will become the paramount way that people acquire aspirational experiences. The ‘Baby Boomer’ generation is leading the way in wanting more flexibility and have access to desirable assets. I also believe that fractional ownership will become more ‘experience’ driven and fewer facilities driven. We can see how the interest of becoming evolved in wine making or conservation is driving interest in our own destinations.

Would you consider Zorgvliet to be a “boutique” private residence club, i.e. do you intend to keep the resorts low density and very exclusive, or diversify and expand them?

I think that ZPRC is an ideal vehicle for expansion by association and alliances with other small unique hospitality and experience driven entities anywhere in the World. Our relationships with various value adding partners such as Interval International and the Intellectual Property that we have acquired over the past two years can form the basis of this type of relationships. The challenges faced by smaller niche role players are somewhat different than the main stream groups.

What are the chances we’ll see Zorgvliet resorts in California, Italy or France? (All good wine-growing regions!)

I think that there are opportunities as described for us to play an active role in other countries; I believe



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that because we have first developed our different destinations and experiences we are in a sound position to use ZPRC as a springboard for synergies and positive value added relationships. South Africa is at present due to the Football (Soccer) World Cup a desirable place to do business and we intend leveraging of the high ground over the next 15 months.

Why do you think South Africa is such an attractive destination, particularly for UK-based owners? (A few hours' time difference, no language problems, unique experience..)

There are various specific reasons for Brits to be attracted to South Africa; the obvious are language, culture, time zone and historic relationships. Maybe even more importantly is the arbitrage position whereby for an example ZPRC products are sold at a discount to International prices of similar products due to the exchange rate benefits and low benchmark pricing in South Africa. This is furthermore apparent when the global exchange benefits are taken into account.

The Zorgvliet properties are well known for their amazing locations, but what other factors do you feel are essential for a resort's success?

Locations are not only of geographic importance but

relates to experiences of that specific region. For an example Ka'Ingo private game reserve is in the Malaria free Waterberg mountain region only 3 hours from the Johannesburg metropolis. This is the paramount Bushveld region with almost no crime and central to untouched big five game country. Here conservation of animals such as the African cheetah is of utmost importance.

What would you be doing if you weren't busy overseeing the Zorgvliet Group?

The Zorgvliet Group and the Zorgvliet Private Residence Club is at present taking all my time and the diversity of the offerings are really of such nature that we are totally indulge in the task at hand whilst enjoying the unique aspects such as wine, conservation and the related business development.

If you could take an unlimited amount of time off, what would be your ideal vacation, and where would you go?

I am a big fan of the Marriott Group and I really enjoy spending time at their resorts wherever it may be. I would like to play golf at exotic places, go diving or skiing; this is such a great industry I cannot see the end of the vacation opportunities.

For more information on Zorgvliet Private Residence Club visit www.zorgvlietprop.co.za
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